

# 1<sup>st</sup> Working Group Session

## Business Development - Downtown Burlington



GROWING BUSINESS | CONNECTING COMMUNITIES | JOB CREATION



## Retail Market Analysis City of Burlington September 2015

Racine County Economic Development Corporation

RCEDC | 2320 Renaissance Blvd. | Sturtevant | WI | 53177  
[www.racinecountyedc.org](http://www.racinecountyedc.org)

## GOALS of Session #1

- Review key findings
- Prepare for 2nd workgroup session on City Retail Recruitment and Strategic Plan

## Market Analysis Report

[www.burlington-wi.gov](http://www.burlington-wi.gov)  
under “Spotlight On”

# RCEDC: The Basics

*The mission of RCEDC is to ensure the economic vitality of Racine County by working with our partners to support innovation and creativity that leads to business investment.*



# Business Development Tools



## RETAIL RECRUITMENT



- Low-Interest Financing
- **Site Selection**
- Façade Grant Incentives
- **Market Intelligence a.k.a. Market Analysis Reports**



# Site Selection

## RETAIL RECRUITMENT

- Searches Based on Business Criteria

- Resources/Data Sets:

- Locate In Wisconsin:

<http://inwisconsin.com/select-wisconsin/available-sites/locate-in-wisconsin>

- Milwaukee Prospector:

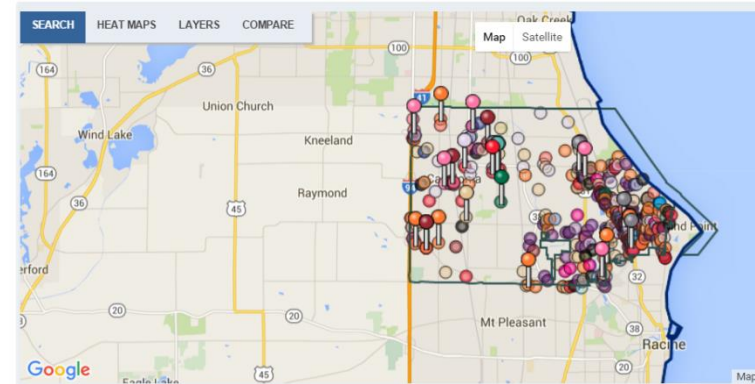
<http://www.milwaukeeprospector.com/>

- Commercial Real Estate Listing Services:

<http://www.shorewest.com/>

<http://www.firstweber.com/>

- Visual Drive Thru Survey by RCEDC



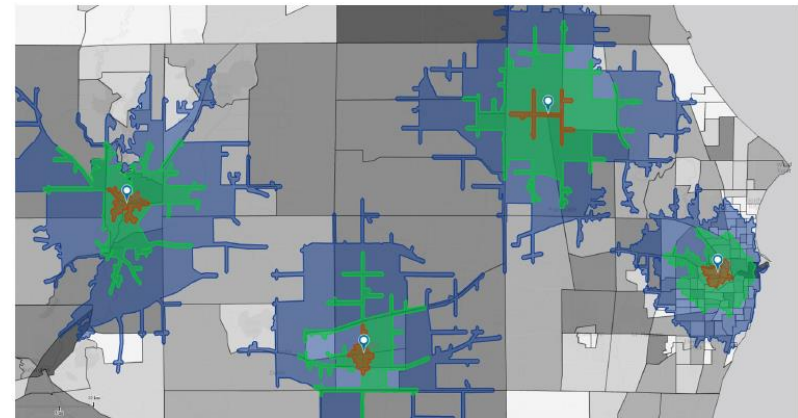
# Market Intelligence

## RETAIL RECRUITMENT

### Data Drives Retail Site Location Decisions



- **Data**
  - Maps Market Data
  - Define Market Area by Distance or Drive Time
  - Area Demographics
  - Expenditure Patterns
  - Identify Retail Gaps
- **Uses**
  - Market Empty & Underutilized Sites
  - Market Community to Targeted Businesses



# Recruitment Example



**BLAZE PIZZA**



**DUNKIN' DONUTS**



**JIMMY JOHN'S**  
Gourmet Sandwiches



TRADE AREA

3 Miles

- Population: 150,000
- Daytime Population: 50,000
- Median Household Income: Minimum \$50,000
- Age: 21-59
- Traffic: 20,000 ADT

5 Minute Drive Time

- Minimum Residential Population: 25,000 (15,000 within a 3 minute drive time)
- Median Household Income: Minimum \$30,000
- Minimum Traffic Count: 20,000 ADT

5 Minute Drive Time

- Minimum Residential Population: 25,000
- Daytime Population: Minimum 20,000 (8,000 within a 3 minute drive time)
- Median Household Income: Minimum \$40,000

SITE PROFILE

- Urban Storefront, shopping centers, food courts, lifestyle and entertainment centers, mixed-use, university adjacent, medial centers or transportation centers
- **Restaurant Size:** 1,800 –3,000 sf (plus an outdoor patio)
- **Food Court Locations:** Minimum 750 square feet with
- **Frontage:** minimum 25 feet minimum
- **Visibility:** Unrestricted from primary access

- Freestanding, shared pad or end-cap located in mixed use "major tenant" community shopping center with national or regional tenants. High visibility from major arteries. Option for 24 hour operations
- **Site Size:** 1/4–2 AC
- **Size of Restaurant:** 1,200 – 2,600 sf
- **Parking:** Minimum 1 parking space for every 3 seats
- Drive thru with easy ingress and egress on morning drive side

- Pad, end cap, or out-parcel with drive-thru
- Strong visibility, easy ingress & egress access & ample parking
- **Restaurant Size:** 600-1,800 sf, minimum of 20' of frontage & outdoor seating strongly preferred

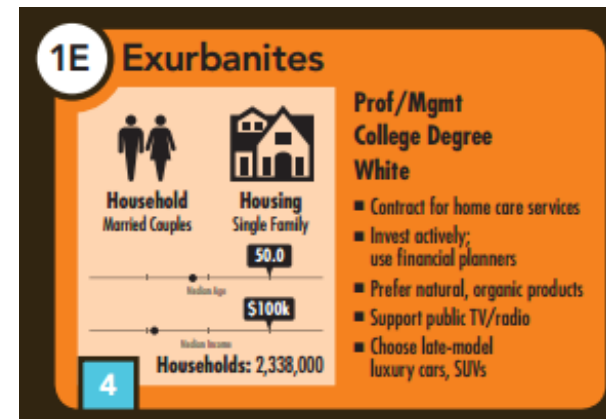
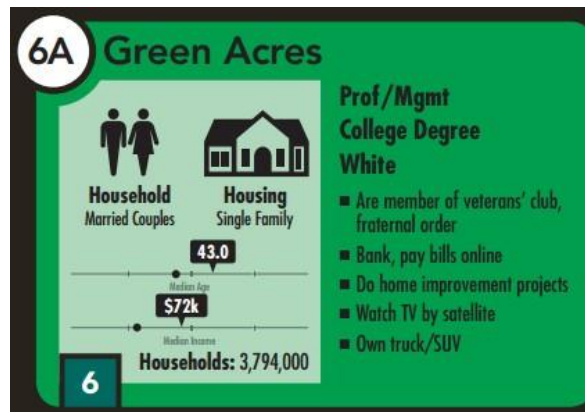
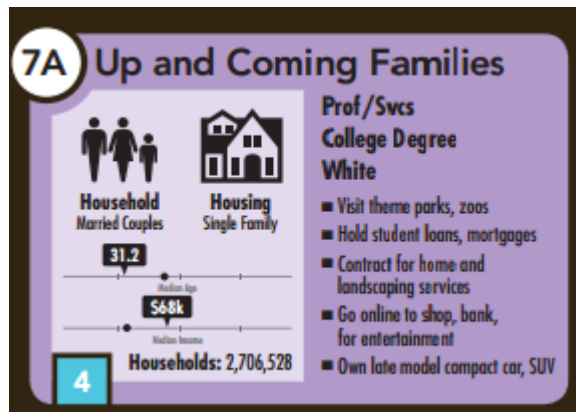
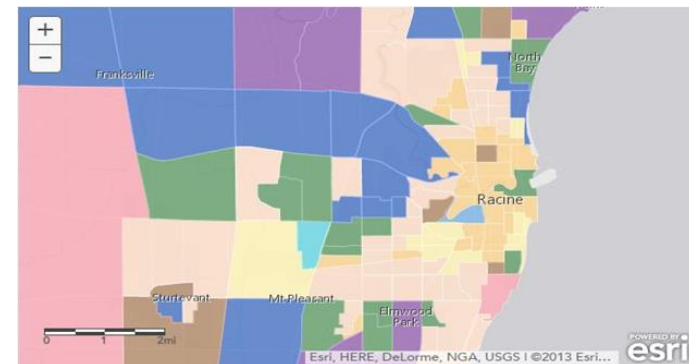
# Market Intelligence



## EXISTING RETAILERS

### Know More About Your Market

- Demographics
- Customer Expenditure Patterns
- Profile customers in the area
- Find customers similar to your current customer base
- Map area competition
- Identify opportunities for growth





# Why a Market Analysis for Burlington?

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Report pages 2-5

## Data Drives Retail Site Location Decisions

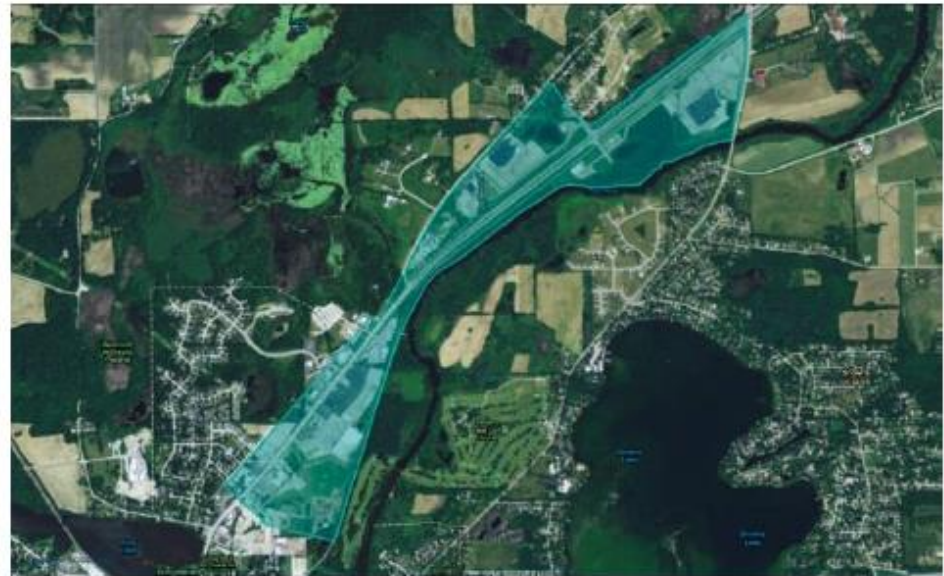
- Merged surveys, community perspectives and market data:
  1. Identify existing gaps retailing
  2. Assess the existing (and likely future) consumer needs
  3. Reveal trends which the City may consider when planning future development
  4. Confirm the City's identity while at the same time increasing retail synergy

# Focus Areas

Report pages 2-5



Downtown



Milwaukee Ave Commercial Corridor

# Data Collection

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## Report pages 2-5

- ESRI software
- Chamber community survey
- Business owner one on one meetings
- Business mix inventory compared to peer communities
- Site visits by RCEDC staff
- Land use study

# Defining Trade Areas

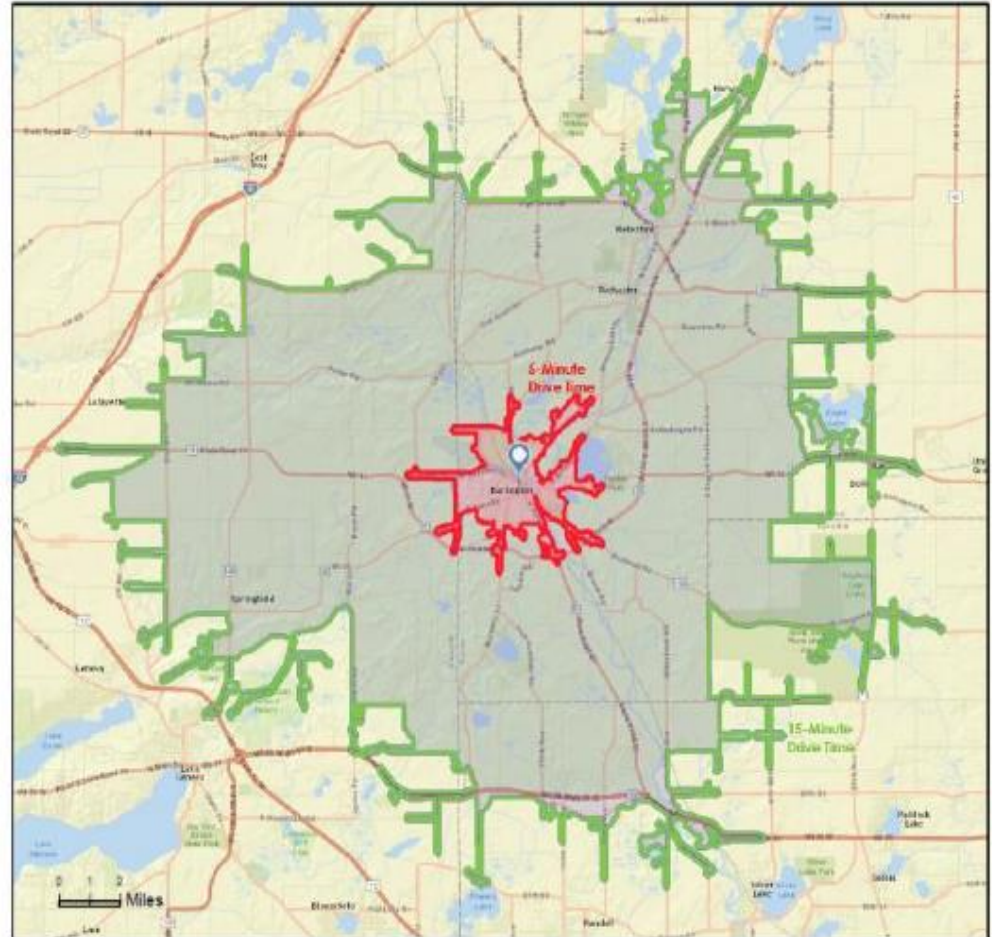
Report pages 6-11

## Convenience Orientated

- Red border
- 5-minute drive time

## Comparison Shopping

- Green border
- 15-minute drive time





# Customer Segments

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Report pages 6-11

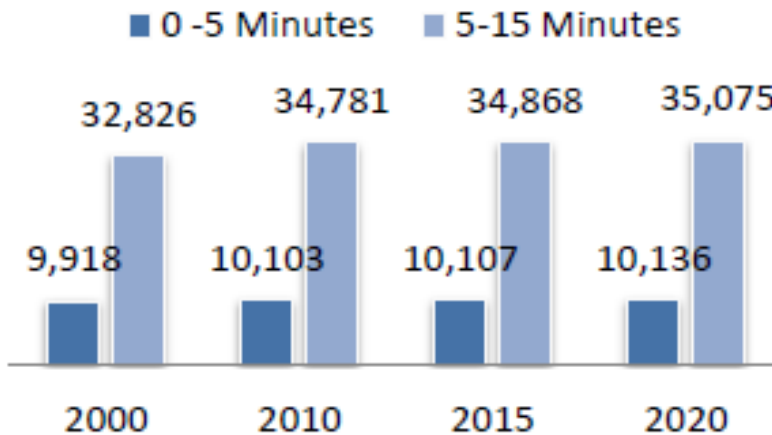
- **Local Residents**
- **Daytime Employees**
- **Tourists**

\*Assumption that all three market segments would be served by proposed retail development

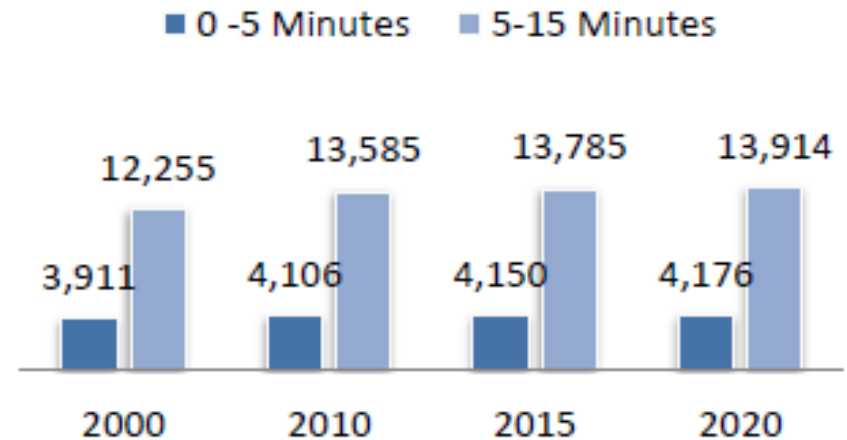
# Resident Market Profile

Report pages 12-21

**Population**



**Households**



**Median Household Income**

	0- 5 minutes	5 - 15 minutes
2015 Median Household Income	\$54,292	\$61,938
2020 Median Household Income	\$63,193	\$75,325
2015-2020 Annual Rate Of Change	3.08%	3.99%

# Lifestyles/ Tapestry Segments

Report pages 12-21

## Top Three Lifestyle Segments

Convenience Market Area 0-5 minute drive time	Comparison Market Area 5-15 minute drive time
Front Porches (8E) – 29.5%	Green Acres (6A) – 31.7%
Green Acres (6A) – 22.3%	Salt of the Earth (6B) – 18.0%
Middleburg (4C) – 15.2%	Parks and Rec (5C) – 14.6%

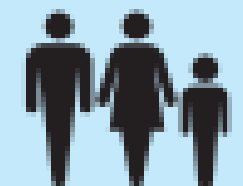
Note: %'s are of household #'s within drive time area; not population

# Lifestyles/ Tapestry Segments

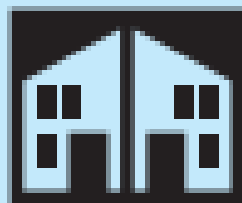
Report pages 12-21

**8E**

## Front Porches



**Household**  
Married Couples



**Housing**  
Single Family;  
Multi-Units

**34.6**

Median Age

**\$41k**

Median Income

**Svcs/Prof/Admin**  
**HS Diploma Only**  
**White**

- Go online for games;  
visit dating websites, chat rooms
- Have loans to pay bills
- Play bingo, video games
- Watch Comedy Central,  
Nickelodeon, PBS Kids Sprout
- Enjoy fun-to-drive cars

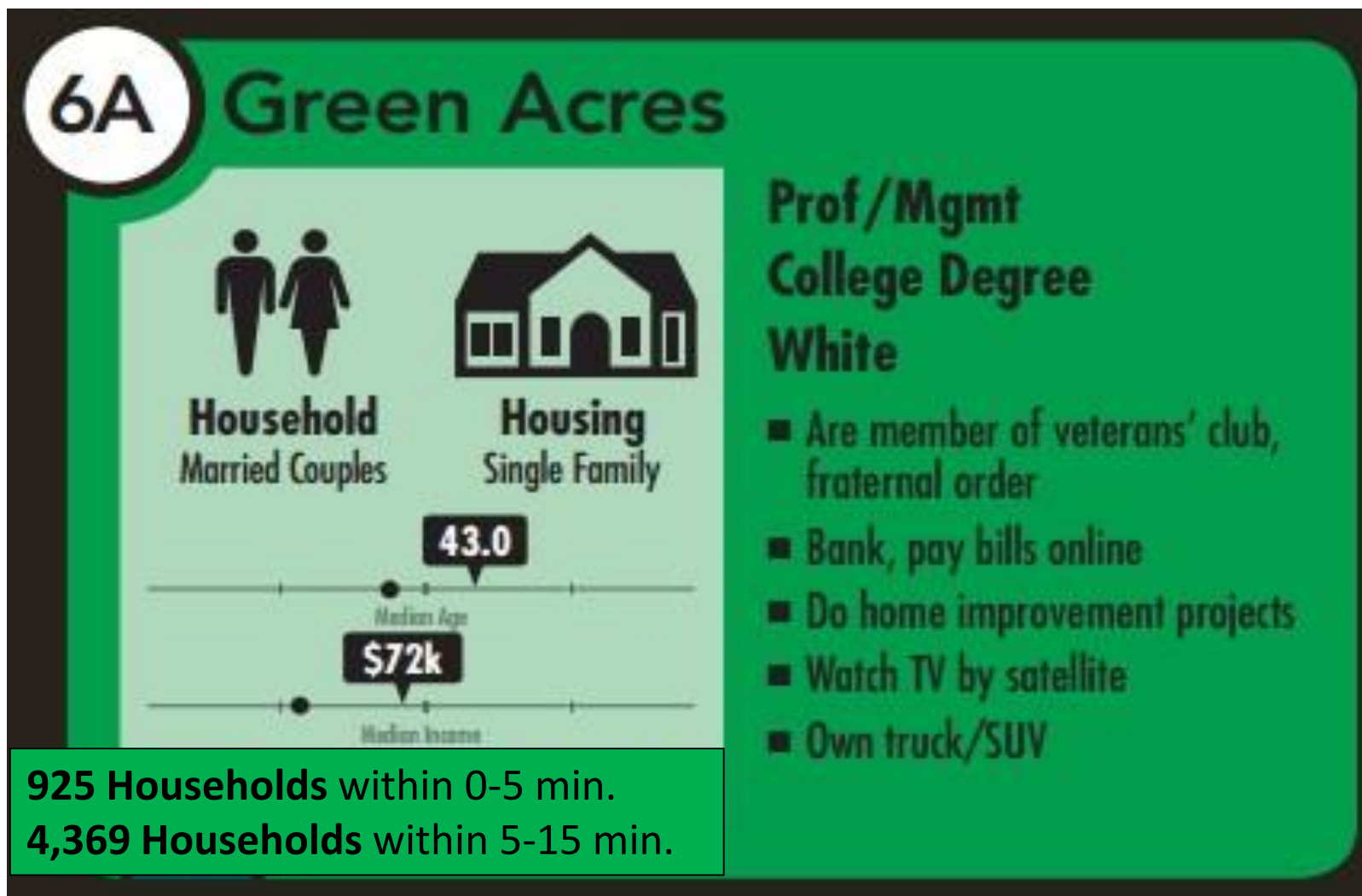
**1,224 Households**

0-5 min. drive time of DT Burlington



# Lifestyles/ Tapestry Segments

Report pages 12-21



# Lifestyles/ Tapestry Segments

Report pages 12-21

**6B**

## Salt of the Earth



**Household**  
Married Couples



**Housing**  
Single Family

**43.7**

Median Age

**\$55k**

Median Income

**Prof/Svcs**  
**HS Diploma Only**  
**White**

- Go fishing, hunting, boating, camping
- Buy insurance from agent
- Tackle home improvement projects
- Access Internet by dial-up modem
- Own truck, ATV

**2,481 Households**

5-15 min. drive time of DT Burlington

# Consumer Perspective – Chamber Survey

Report pages 22-24



## Core Business Offerings Desired Within 5 Years

Restaurants (72%)

Recreation (69%)

Large retail (58%)

Other categories that scored well: Education, Entertainment, small retail

## Importance of Community Attributes

1) Public safety

2) Good paying local jobs

3) Pedestrian friendliness (tie)

3) Traffic flow (tie)

# Consumer Perspective – Chamber Survey

Report pages 22-24



## Elements that Keep Residents in the Burlington Area

Community feel	Big box stores	Bike trails
Schools	Local businesses	Parks
Downtown	Riverwalk	Historic essence
Retail convenience		

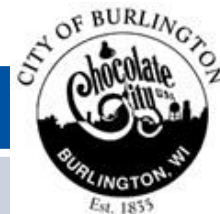
## Downtown Opportunities – What Would You Like to Bring to Downtown?

Riverside destination	Restaurants	Entertainment options
Farmer's market (like Waukesha)	Retail chain stores	Clothing stores
More retail businesses	Gift shops	Specialty shops



# Consumer Perspective – Downtown Business Owner Meetings

Report pages 22-24



## Downtown Strengths, Weaknesses and Opportunities

Strengths:	Weaknesses:	Opportunities:
Welcoming	Not many retail shops	Restaurants and cafés (local, organic and family-friendly)
Quaint	Limited family restaurants	Furniture resale shops
Small Town Atmosphere	Old/new business owners don't see eye-to-eye	Antique stores
	Too many empty storefronts	Retail for younger audience
	Limited business participation in events	Women's clothing/accessories
	Existing events lack energy	New events (Art Walk)
	Many buildings in disrepair	

# Consumer Perspective – Downtown Business Owner Meetings

Report pages 22-24



## City Services Ratings

### Satisfactory:

Clean

Planters

Holiday decorations

Police, Fire and Rescue services

### Unsatisfactory:

Brick pavers

Traffic control & pedestrian safety at major intersections

Enforcement of property maintenance code

Snow being pushed up by plows onto sidewalks

Lack of parking enforcement regulations on-street

# Consumer Perspective – Downtown Business Owner Meetings

Report pages 22-24



## What Can be Offered to Your Business that Currently Isn't Offered?

Downtown business association

Coordinated marketing program (including graphic design)

- Promoting downtown as a “destination place”
- Advertise existing businesses and events occurring in downtown

Attract new businesses to open in Downtown

Develop new downtown events (Restaurant Week, Taste of Burlington, Car Show, Buy Local Campaign, Art Walk)

# Common Business Development Themes



Chamber		City		COMMON THEME
More retail businesses including chain stores		Retail stores that attract younger audiences		RETAIL
Clothing stores		Women's clothing and accessories		RETAIL
Specialty shops and gift shops		Furniture resale shops and antique stores		RETAIL
Restaurants		Restaurants and cafés (variety, local, organic, family-friendly)		RESTAURANTS
Farmer's market (like Waukesha)		New events (Art Walk)		DESTINATION
Riverside destination				DESTINATION
Entertainment options				DESTINATION

# Business Inventory Mix



Report pages 25-28

## Compared to Similar Sized Communities in WI

- Attractive for:
  - Dining
  - Entertainment
- Underrepresented:
  - Gift stores
  - Bookstores
  - Office supplies/ stationary stores
  - Clothing stores



# Business Inventory Mix



Report pages 25-28

## Area of Note for Dining in Burlington

- Larger # (9) of limited service restaurants in Burlington (coffee shops, drive through or fast food) compared to peer communities # (2)
- Smaller # (8) of full service restaurants in Burlington compared to peer communities # (15)
- **INTERPRETATION:** Total restaurant # is comparable, but Burlington market spends more \$ on coffee shops, drive through and fast food sectors

# Business Inventory Mix



Report pages 25-28

## Retail Gap Analysis

- Identifies specific industry sectors that are either thriving or underserved in the community

# Retail Gap Analysis



Report pages 25-28

## Business Sectors Not Being Met Locally (Within 15 Minute Drive Time)

- Specialty food stores
- Building materials and supply dealers
- Special food services restaurants
- Office supplies stores
- Stationary stores
- Gift shops
- Books, periodicals and music stores
- Clothing and accessories stores
- Shoe stores
- General merchandise stores
- Electronics and appliances stores

# Retail Gap Analysis



Report pages 25-28

## Business Sectors Over Represented (Within 15 Minute Drive Time)

- Automobile dealers
- Auto parts stores
- Grocery stores
- Lawn and garden supply stores
- Drinking places

# The Reality of Retail Recruitment



## Developer and Broker Perspectives

“The report was really well done and very thorough certainly **anything I have ever had a retailer ask me about a location is addressed in the report.**”

“This analysis does a good job of demonstrating the attributes of the Burlington market and it explains how individuals in the market are currently meeting their needs for retail goods and where they are spending their dollars.”

“Independent retailers who don’t have market data systems in place will find **this information very useful in analyzing the market and in their business planning.**”



# The Reality of Retail Recruitment



## Developer and Broker Perspectives





“Hot topics in downtown development include flexibility in zoning – allowing for drive-thru’s, not being too stringent on signage, open to working with the retailers prototype site planning, etc.”

“Downtown development will most surely require some financial assistance such as programs to reduce the site infrastructure costs, TIF to reduce the land costs, or funds to help with the tenant build-out.”

“Storefront retail is challenging. The rare cases where it has worked (ex. Oakland Avenue in Shorewood), heavy economic subsidies were involved for the retailer’s buildouts.”

# **\*\*HANDOUT – Downtown Burlington Business Development Themes**



<b>Community Survey</b> 	<b>Business Owner Interviews</b> 	<b>Peer Communities Comparison</b> 	<b>Retail Gap Analysis (a)</b> 	<b>COMMON THEMES</b>
More retail businesses including chain stores	Retail stores that attract younger audiences			RETAIL
Clothing stores	Women's clothing and accessories	Clothing stores	<ul style="list-style-type: none"> <li>• Clothing and accessories stores</li> <li>• Shoe stores</li> </ul>	RETAIL
<ul style="list-style-type: none"> <li>• Specialty shops</li> <li>• Gift shops</li> </ul>	<ul style="list-style-type: none"> <li>• Furniture resale shops</li> <li>• Antique stores</li> </ul>	<ul style="list-style-type: none"> <li>• Gift stores</li> <li>• Book stores</li> <li>• Office Supplies/Stationary Stores</li> </ul>	<ul style="list-style-type: none"> <li>• Specialty food stores</li> <li>• Building materials and supply dealers</li> <li>• Office supplies stores</li> <li>• Stationary stores</li> <li>• Gift shops</li> <li>• Books, periodicals and music stores</li> </ul>	RETAIL
Restaurants	Restaurants and cafés (variety, local, organic, family-friendly)	Restaurants (Burl. spends more \$ in coffee shops, drive through/fast food stores)	Special food services restaurants	RESTAURANTS
Farmer's market (ex. Waukesha)	New events (Art Walk)			DESTINATION
Riverside destination				DESTINATION
Entertainment options		Entertainment		DESTINATION

# NEXT STEPS

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## Your Retail Recruitment Homework!

Based on key findings of the Market Analysis (handout)

1. Which are the top retail and destination businesses types to recruit to downtown?
2. Which are the priority sites/buildings in downtown for commercial recruitment?



# NEXT STEPS - Workgroup Session #2



WEDC will facilitate the **update of the 2008 Downtown Strategic Plan**

## Your Homework.

1. As a community, what do we want the downtown to be?
2. What and where are the destinations already in downtown?
3. Where are the underutilized sites relative to these destinations?
4. Which of the business opportunities are suited to existing sites/spaces, and which would require new development or other accommodations?

# NEXT STEPS - Workgroup Session #2

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- **2008 Downtown Strategic Plan Goals**
  - Increase/promote the availability of parking
  - Capitalize on area and local tourism
    - Ex: ChocolateFest, Lake Geneva tourism, local festivals
  - Attract/retain more small retail and restaurants and destination locations to Downtown
  - Continue to build upon historic charm and natural attributes through incentives for continued redevelopment and additional improvements



# NEXT STEPS - Workgroup Session #2

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## CHOOSE THE NEXT MEETING DATE

- Tuesday, March 8<sup>th</sup> from 2-4 pm at Veteran's Terrace



OR

- Tuesday, February 23<sup>rd</sup> from 2-4 pm at Veteran's Terrace

# THANK YOU!

## Business Development - Downtown Burlington



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# For More Information Contact

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